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Policy paper 6: Urban spatial strategies: land market and segregation*

Note by the secretariat

The secretariat of the United Nations Conference on Housing and Sustainable Urban Development (Habitat III) hereby transmits a policy paper entitled "Urban spatial strategies: land market and segregation", prepared by the members of Policy Unit 6.

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Policy paper 6: Urban spatial strategies: land market and segregation

Executive summary

The guiding principle of this paper is that the organization of space is inseparable from the quest for sustainable development. Inequalities, a growing concern for most countries and the international community, are expressed in the physical segregation of different income, social and ethnic groups and in the substandard conditions of the places where the poor work live and work. The negative externalities caused by haphazard city growth and lack of proper planning such as sprawl, pollution, and traffic congestion are a tremendous burden on the cities' vocation for attracting investment, employment and sustainable growth. The physical segregation of the city according to separate functional areas, such as business, industry and housing, creates dullness, alienation and insecurity. The unregulated functioning of land markets only reinforces the tendency to produce physical separations between urban elites and the rest of the urban population. Sprawl and low density development compete with the preservation of the vital roles of peri-urban and rural areas in feeding larger urban centres and offering sustainable livelihoods to rural residents. Finally, the same physical development model is a major cause of environmental degradation and a major contributor to CO2 emissions far in excess of what wiser spatial organization models would entail.

At long last, the world is awakening to the importance of sustainable urban development. Part of the reason is the media attention around the fact that for the first time in the planet's history, the majority of the world's population live in urban areas. Moreover, United Nations projections indicate that more than nine tenths of the world's total population increase midway into the present century will be living in the cities of today's developing world. This attention and these scenarios are reflected in the fact that the 2030 Agenda for Sustainable Development devotes one of its 17 Sustainable Development Goals and its 10 targets to making cities inclusive, safe, resilient and sustainable.

However, this paper argues that this goal, as well as the inversion of the negative trends described above, can only be reached by vigorous and visionary "urban spatial strategies". They will have to be vigorous because the forces at play are powerful and interested in maintaining the status quo. And they will have to be visionary because the participation and support of people and actors committed to an equitable and just future for all will need a bold and inspiring blueprint of how the city will be structured and organized.

The policy unit focused on six main challenges to act upon in order to produce effective and actionable building blocks for the proposed urban spatial strategies. They are:

(a) Form and configuration of cities and territories;

(b) Land policy as a tool to promote equality and secure resources;

(c) Access to the benefits of urbanization;

(d) Coordination among different levels of plans and policies and among sectors;

(e) Provision and distribution of good green and public space;

(f) Knowledge about balanced territorial development and urban spatial strategies.

Coherently with this choice and with the considerations made above, the Policy Unit has concluded this report with key messages listed below. They have been drafted with the intention of stating, in a way that everybody can easily understand and hopefully subscribe to, the goals described in detail in the main body of the paper.

1. Urban spatial strategies

The organization of physical space is key to sustainable urban and territorial development. It can be successfully achieved through fair and comprehensive urban spatial strategies.

2. Designing the sustainable city

Compact development and redevelopment on a human scale is the basis for the enjoyment of urban life by all, the satisfaction of basic needs, a vibrant economy and the protection of the environment.

3. Using land markets to combat segregation

Appropriate legislation and planning measures can make sure that part of the wealth generated by urbanization processes is shared collectively, providing security of tenure and access to land and services, and combat physical and social segregation and improve the living conditions of the urban poor.

4. Extending the benefits of urbanization to all

Urban strategies must guarantee that the benefits and services cities can offer are shared by all, regardless of income, lifestyle, place of residence and type and size of settlement.

5. Integrating levels, scales and actors of planning

The integration between levels of planning, sectors and urban and rural development is essential for the success of urban spatial strategies. Useful tools to achieve this goal are available, including the *International Guidelines on Urban and Territorial Planning*.

6. Shaping the city through green and public space

Green and public space is what defines the identity and character of a city, expresses its physical structure and provides the lifeline of city life: recreation, mobility, interaction, and togetherness.

7. A global dialogue for sustainable planning

The continuation of a global dialogue on the sustainable organization of urban and rural space will be vital for the successful implementation of the New Urban Agenda and the Sustainable Development Goals. The processes put in place by Habitat III could usefully be translated into continuous activities devoted to networking and the exchange of ideas, experiences, information and good practices.

Section I of the paper — Vision and framework of the policy paper's contribution to the New Urban Agenda — provides a background of the challenge that the rapid urbanizing world has to face. It illustrates the guiding principles that link the policy paper to the New Urban Agenda and defines urban spatial strategies as the key element to achieve the sustainable development of cities and territories.

Section II of the paper (Policy challenges) refers to the six key dimensions recalled above which the Policy Unit identified to design and implement successful urban spatial strategies and describes the factors and constrains that impede their effectiveness.

Section III of the paper (Prioritizing policy options) identifies the policy priorities and critical recommendations required to develop the six dimensions above into viable urban spatial strategies.

This Policy Unit recognizes that all components of society have to be informed and proactive parties in the implementations of the New Urban Agenda. However, section IV of the paper (Key actors for action) identifies those actors who have a key role to play in the design, implementation and monitoring of urban spatial strategies, starting with local governments.

In section V (Policy design, implementation and monitoring) the paper identifies key implementation aspects of the six urban spatial strategy components treated previously. Under finance mechanism, the positive connection is stressed among sound spatial strategies, the policy priorities suggested for the formulation and implementation, and the prospect for mobilizing the means to achieve the Conference's goals in cities. Under monitoring, the paper underlines that the Sustainable Development Goals, and particularly Goal 11, represent a powerful global standard for measuring the achievements of cities and territories in improving the living conditions of all. Sound urban spatial strategies require transparency and accountability in the planning process, which in turn necessitates reliable, open and easily accessible data. A promising development is the availability of free access to remote sense-derived geospatial data.

The final section (Conclusion) contains the seven key messages distilled from the Policy Unit's work.

I. Vision and framework of the policy paper's contribution to the New Urban Agenda

1. A New Urban Agenda framed on strong urban spatial strategies will help alleviate several current and anticipated social, economic and environmental conditions in a world that is 54 per cent urban in 2016 and rising to 66 per cent urban in the next 20 years. Among the most pressing global issues are poverty, inequality and environmental degradation. These concerns are spatially evident in cities and their surrounds in the proliferation of informal settlements and slums lacking basic services; fragmented sprawling urban development on risk-prone or fertile agricultural land; unbalanced territorial development characterized by weak infrastructural links, threatened ecosystems, depleted natural resources and loss of biodiversity.

2. The fact that the World Economic Forum in its 2015 *Global Risk Landscape* report (World Economic Forum 2015) cited "urban planning failure as a risk factor creating social, environmental and health challenges" and the estimation that in 2012, 60 per cent of the built environment to exist in 2030 is yet to be built,[1] underlines the critical importance of making the design and management of the form and configuration of cities and territories the top priority of this paper.

3. With its focus on delineating strong urban spatial strategies that advance integrative and equitable decision-making processes for sustainable urban development, this paper builds on the guiding assumptions of the New Urban Agenda. These assumptions include: its foundation in human rights approaches, antecedents and agreed-upon language from prior United Nations agreements; its universal applicability that leaves room for adaptation by Member States according to their respective values and contexts; its commitment to subsidiarity and partnerships as essential elements in its crafting, implementation, and evaluation; and its belief that achieving sustainable urban development will occur only through the implementation of a robust action agenda including provisions for governance, legislation, finance, monitoring and knowledge creation. In particular, this paper draws on the frameworks and guidance offered by the 2030 Agenda for Sustainable Development, including Goal 11 (Make cities and human settlements safe, inclusive, resilient and sustainable) and related Goals, and the *International Guidelines on Urban and Territorial Planning* (UN-Habitat 2015a).

4. The strong urban spatial strategies must address six challenges now present across the world:

(a) Unsustainable form and configuration of cities and territories;

(b) Land: failure to use land policy as a tool to promote equality and secure resources;

(c) Inequitable access to the benefits of urbanization;

(d) Poor coordination among different levels of plans and policies and among sectors;

(e) Inadequate and uneven provision and distribution of good green and public space;

[1] Secretariat of the Convention on Biological Diversity 2012 as cited in issue paper 8.

(f) Incoherent and disassembled knowledge about balanced territorial development and urban spatial strategies.

5. Addressing these challenges calls for explicit, broadly conceived and executed urban spatial strategies focused on the sustainable use of land and space, provision of basic services and the equitable functioning of land markets. Examples of these strategies include development of national urban policies to ensure balanced territorial development within a nation, the crafting of regional and urban plans (with strategic guides, physical maps and plans — land use, public space, transport — and implementing regulations tied to capital expenditures for infrastructure investment), the using of land value capture mechanisms to share collectively the increments generated by public investments in infrastructure.

6. This process will require empowering communities through the identification and legal recognition of the roles, rights and responsibilities of key players in the appropriate sphere of government and civil society and the alignment of the interests of national, regional and local government and promoting stakeholder partnerships that cross-jurisdictional boundaries and disciplines.

7. The effective execution of these recommendations calls for focused financing and monitoring practices informed by knowledge creation and sharing.

8. Urban spatial strategies are key to the implementation of a New Urban Agenda. They have to address, in particular, the problem of social segregation caused by the way urban land markets operate, and the role of spatial planning providing tools for an integrated and sustainable urban development.

9. Nevertheless, looking at these issues, one has to also consider closely related problems which may be relevant in specific cases. Among them are weak legislation, weak governance, including insufficient political will and leadership, weak rule of law, lack of transparency and accountability in land acquisition and development, lack of value capture of public resources invested in infrastructure, land market failures and speculation, fragmentation of planning tools, uncontrolled sprawl, as well as inefficiency of land registration and cadastral systems.

10. With these issues in mind, urban spatial strategies can be defined as "spatial strategies which aim towards social and spatial integration and inclusion in cities, dealing with form and systems of cities, through the promotion of socially diverse neighbourhoods, accessibility to jobs, access to serviced land at affordable prices, as well as quality public space, including sufficient green spaces".

11. Spatial strategies are the product of participatory processes. They require well-functioning instruments of governance. They should encourage reflecting values and priorities as well as contribute to building and enhancing institutions in order to frame actions towards sustainable development.

12. Spatial strategies are key to the pursuit of sustainable development since they aim at saving land, protecting the environment, and organizing space in order to minimize waste and energy use and guarantee adequate living and working conditions to all regardless of their social and economic conditions.

13. Urban spatial strategies towards sustainability comprise and require strategic guide, physical plans and maps (e.g. on land use, housing, transport, and the environment), regulations for social housing and related land use, strategic

instruments for planning and implementation as well as an institutional framework which is conducive to sustainable development (UN-Habitat 2015a).

14. Urban spatial strategies are framed by four key elements: (a) legal basis (e.g. constitutions, charters, regulations and codes); (b) organization (i.e. structural organization, e.g. responsibilities of actors such as ministries, courts, technical agencies at the national, regional and local levels, as well as procedural organization, e.g. the organization of planning, implementation and monitoring processes); (c) strategic urban planning and design (e.g. national urban policies; regional/metropolitan, city, neighbourhood plans and programmes, including strategic environmental assessments); and (d) implementation mechanisms, including finance.

Guiding principles

1. Human rights approaches will be the foundation of the New Urban Agenda

15. The unanimously adopted Vienna Declaration and Programme of Action states that democracy, development, and respect for human rights and fundamental freedoms are interdependent and mutually reinforcing. Human rights standards contained in, and principles derived from, the Universal Declaration of Human Rights and other international human rights instruments have to guide all development and programming in all sectors and in all phases of the planning and, first of all, the integrative planning activities and documents — the content, design and development of urban spatial strategies.

2. The New Urban Agenda will build on antecedents and agreed-upon language from prior United Nations work

16. The Habitat Agenda will build on its heritage and then go on to more recent global agreements, some of which directly address cities and human settlements and others that imply the crafting and implementation of urban spatial strategies as essential to their success. First among them is the 2030 Agenda, notably Goal 11 and key targets, among others. For example, some 69 per cent of the targets require local action.

3. The New Urban Agenda will be universally applicable to nations around the world

17. The New Urban Agenda will be universally applicable to nations around the world, providing clear guidance for Member States on urban issues, while still leaving room for adaptation to national circumstances developed according to national needs, levels of development and other contextual considerations.

4. Subsidiarity and partnerships are essential elements in the crafting, implementation and evaluation of the New Urban Agenda

18. The New Urban Agenda recognizes subsidiarity and partnerships in the development, crafting and implementation of urban spatial strategies — it assumes that each tier of government and each sphere of governance have a role to play in the area of urban spatial strategies as defined above. This reinforces the importance of multiparty partnerships — vertical, horizontal, cross-jurisdictional and cross-

disciplinary — with rights and responsibilities clearly defined in the crafting and implementation of urban spatial strategies in the New Urban Agenda.

5. Evidence-based research drawn from the knowledge, expertise and experience of multiple stakeholders should inform the New Urban Agenda

19. A commitment to crafting mechanisms to support the creation of policy based on knowledge, expertise and experience of multiple stakeholders is critical for the conception, implementation and monitoring/evaluation of the New Urban Agenda.

20. This principle is reinforced repeatedly in the *International Guidelines for Urban and Territorial Planning*, which calls for "the advancement of research-based knowledge on urban and territorial planning" (p. 12) and throughout has references to the need to "develop new tools and transfer knowledge across borders and sectors that promote integrative, participatory and strategic planning" and "translate forecasts and projections into planning alternatives and scenarios to enable political decisions" (p. 26).

II. Policy challenges

A. Unsustainable form and configuration of cities and territories

21. As documented in Habitat III issue papers 8, 9, 10 and 11 and other references,[2] current urban development patterns offer five challenges related to the form and configuration of cities and territories, that are not being met by the today's governance systems. These challenges result in losses to economic productivity, they heighten inequality and threaten the environment.[3] They are: (a) inefficient land consumption expressed spatially in the worldwide rise of urban sprawl and an associated decline in density,[4] a phenomenon that causes inter alia higher costs for transport, WASH, reduction in the economic benefits of agglomeration, the degradation of ecosystem services, and the diminishing of resilience (Litman 2015); (b) the concomitant growth of unserviced informal settlements, often in risk-prone locations, in the developing world[5] and the hollowing out of central cities in the developed world; (c) The lack of balanced and integrated territorial development, or well-synchronized linkages along the continuum of urban to rural development,

[2] United Nations Task Team on Habitat III 2015c; United Nations Task Team on Habitat III 2015d; United Nations Task Team on Habitat III 2015a; United Nations Task Team on Habitat III 2015b and see for example Angel et al. 2010.

[3] See "deficient planning and infrastructure can reduce business productivity by as much as 40 per cent" (United Nations Task Team on Habitat III 2015c, p. 1) and "Globally, there is insufficient knowledge on the dynamics of small and intermediate cities where half of the world's urban people live, making them a missing link in understanding the dynamic of urban-rural interactions." (United Nations Task Team on Habitat III 2015a, p. 3).

[4] "In developing countries an average of 6 out of 7 cities experienced a decline in density, while in higher-income cities, a doubling of income per capita equated to a 40 per cent decline in average density. Cost of sprawl in the Unites States alone is estimated to cost $400 billion per year mostly resulting from higher infrastructure, public services and transport costs." (United Nations Task Team on Habitat III 2015c, p. 2).

[5] See issue paper 8 — Urban and spatial planning and design, p. 2 "the insufficient provision of an adequate number of well-connected serviceable plots has contributed to the increase of informal urbanization, with over 61 per cent of dwellers in sub-Saharan Africa, 24 per cent in Latin America and 30 per cent in Asia informally occupying land, often in high-risk areas".

exacerbated by the neglect of small and medium-sized cities and absence of planning and management capacities; (d) the absence of adequate, well-designed public space at all scales — national, regional, local and neighbourhood — needed to accommodate transport, water/sewerage infrastructure and community facilities — such as schools and health clinics — and to provide public parks for social congregation, recreation and livelihoods: (e) the neglect of available urban design solutions capable of achieving, at the same time, quality of life, social harmony, economic viability and minimizing environmental impact.

22. In most countries, urbanization trends are unsustainable. Land is being consumed at a far greater proportion per inhabitant than it should (UN-Habitat 2015c, fig. 1); emerging lifestyles cause an inordinate use of non-renewable resources; and this excessive consumption, far from creating better living conditions for all, only accentuates the inequities between the haves and the have-nots.

23. A key driver of these unsustainable trends is the form and configuration of current urbanization patterns, that is, the way urbanization occupies space. Metropolises, cities and towns expand for long distances in their rural hinterlands. Large portions of rural land are acquired, subdivided into lots and built upon, with the profits going to often unscrupulous entrepreneurs, with the onus of basic infrastructure, public transport and essential services falling on local governments. Detached individual dwellings have high energy needs, and the very low density of most new developments discourages public transport and determines the need for private transportation to access goods and services. Remoteness and poor public transport impact most seriously children, young people, women and the elderly. Many new developments take the form of the so-called "gated communities", enclaves secured by walls and barriers. These are examples of "deliberate segregation". In contrast, poorer inhabitants are pushed into poorly served developments even farther away from the city, or reduced to living in slums or other unauthorized informal settlements. This is a form of "forced segregation": the "gated community" mechanisms are reproduced, but as a stigma, rather than a sign of distinction and social status. From an economic point of view, sprawling urbanization determines even higher maintenance costs in infrastructure development and maintenance on one hand, and in transport and in physical connectivity on the other. The costs of traffic congestion alone are an enormous burden to rural, urban and national economies. Many subsistence farmers are literally swept away in this process, determining the twin negative consequence of new rural-urban migration and the loss of close and healthy sources of food for the city.

24. Similar challenges are found in urban renovation projects in the existing city, where well-planned and designed older neighbourhoods are often replaced by expensive and exclusive developments dwarfing the human scale and causing new segregation. These projects show how compactness and density, however desirable, do not guarantee in themselves the equitable and sustainable city urban dwellers aspire to.

25. Efforts at planning new urban space in a socially, economically and environmentally responsible way are often wasted by the impetus and power of this relentless urbanization model. Clearly, market-led urbanization patterns are not the safe way to secure a sustainable urban future. They have to be tempered and guided by robust public spatial strategies and plans indicating the most energy-efficient, environmentally friendly and socially responsible forms of accommodating growth into space.

B. Land: failure to use land policy as a tool to promote equality and secure resources

26. In third-world cities, typically two thirds of the population cannot afford housing supplied by the formal market, with private housing developers favouring higher-income groups. In these cities, about 90 per cent of the housing deficit is concentrated on families in the bottom seven deciles of income distribution. Fiscally poor local governments tend to concentrate public investments in infrastructure and services in selected areas attractive to business and a more highly qualified labour force in their quest to enhance their economic base. With affordable (lower-priced) land only available in areas where commuting costs are high (fringes), urban infrastructure and services are lacking; building is often risky (due to legal conditions or terrain conditions: steep, flooding, etc.); low-income settlements tend to be excluded from urbanization benefits. Thus, the typical structure of third-world cities with neighbourhoods second to none found their equivalents in the developed world, side by side with areas (the majority) lacking basic services, sewage, paved streets, health centres (if any) and the like.

27. In most cities in the world, the main institution/mechanism to allocate land is the land market. The process is simple: households and businesses with a higher capacity to pay for sites with the desired attributes (e.g. good-quality services, ambience, good access and safe and attractive neighbours) are in a better position to secure them. The process through which land is procured by different social groups tends to be self-reinforcing in that higher-income families favour the segregation of lower-income groups and are willing, and able, to pay more for property that guarantee them their desired "proper neighbours" but also the supporting urban infrastructure and services they demand. The resulting social exclusion is, prima facie, the result of a legitimate process that does not depend on deliberate market price distortion as such. Legitimate as it may be, from a market perspective, the outcome is that the apparent ability of land markets of being "neutral" in generating a fair and efficient allocation of land to all users is compromised. In effect, land market outcomes can also arise when land values are affected by public actions. This is the case of the public provision of urban infrastructure and services or zoning and other land-use regulations put in place to neutralize or control the effects of negative or positive externalities.

28. Moreover, since property taxes tend to be higher in higher-value areas and higher-income groups have greater influence on local politics, public investments in urban infrastructure and services tend to favour such areas. The result is that in many countries well-served and enjoyable neighbourhoods sit alongside other ones that lack the most basic services and infrastructures. These contrasts are reflected in dramatic differences in land prices but, more importantly, they revealed a structural incapacity of the market to ensure a sufficient supply of serviced land at affordable prices, particularly for those who are most in need.

29. In effect, serviced land in cities of the developing world tends to be relatively more expensive (often even in absolute terms) than in the cities of advanced countries.

30. To reduce the land-cost component, and adhere to the payment capacity of the users, social housing programmes thus tend to favour peripheral locations and projects that often result in large-scale dormitories characterized by relatively poor urban services.

31. Moreover, poorly planned and serviced urban-sprawl private developments often end up increasing the costs of urban infrastructure and services for the wider urban area of which they are part.

32. The alternative social housing "solution" of upgrading existing more centrally located informal settlements, in the form of curative regularization programmes, typically costs two to three times as much as the provision of new urban infrastructure and services on the edge of the city. While there are clear benefits from such programmes, a very real problem is that incoming families to such improved settlements may be relatively exploited by property owners, some of whom may be pre-existing, now-tenured occupants (doubling as landlords). This often leads to overcrowding in often unsuitable terrains (hill slopes, unstable soil, etc.), which in itself furthers the spatial separation of social groups and may aggravate environmental risks.

33. All of these considerations clearly emphasize the importance of well-thought-through spatial planning.

34. The challenge is to break the vicious circle of social exclusion that arises from the above-mentioned land and property market processes. Traditional public approaches consisting in the development of centrally located large tracks of land (through public acquisition, use of fiscal land, etc.) have often generated new ghettos with all their well-known negative consequences. Alternative programmes designed to occupy interstices of the city with social housing tend, in no time, to be "colonized" by higher-income neighbours. Attempts to control transactions to ensure the permanence of the original targeted low-income occupiers often fail.

35. The challenge, therefore, while preserving the institution of land market and associated land property rights, is to curb the power of landowners who normally seek to secure the land use that gives them the greatest return but also prevents the more socially inclusive use of land.

36. On the other hand, the public acquisition of land is facing increasing costs and publicly managed processes of land allocation may also be costly, prone to corruption and other forms of political manipulation. In addition, it is important to improve the finance capacity of the public sector to guide urban development, especially when it comes to the provision of urban infrastructure and services.

37. Finally, yet importantly, a coherent land-use spatial strategy should revisit the social costs and benefits of publicly promoting social housing in cheaper locations and ensure the best use of relatively scarce public funds. Key issues here are how best to subsidize the provision of social housing in more "inclusive" areas (perhaps with a higher per unit cost but with better quality), and assess the relative advantages of capturing higher land value increments from elitist developments.

C. Inequitable access to the benefits of urbanization

38. Urban spatial justice brings together social justice and space as well as the concepts of environmental justice and equity. These include concerns of environmental sustainability, and the spatial overlap between racial discrimination, the spatial patterns this produces, and the coupling of these spaces with industrial pollution, socioeconomic exclusion, and susceptibility to natural hazards.

39. Developed countries are the most urbanized and developing countries are following suit. Rapid urbanization is a challenge, but can also be seen as an enhancing opportunity, since the function of cities is mainly to provide diversity, choice and a concentration of opportunities for exchange and change resulting in different forms of human development. The benefits of planned urbanization include quality services of all kinds, diversity of income sources, affordable access to opportunities for human development, social interaction, leisure, participation in governance. Quality of life exists, and should be ensured, in non-urban (rural) areas, but the opportunity to develop is afforded more by the diversity and choice characteristic of city life.

40. When, however, cities provide higher income but often even higher costs of living; when they provide diverse services that are inaccessible; when housing projects lack the components that make them liveable; when prevalent modes of transportation are not affordable, or safe, and they pollute the air, then the ills outweigh the benefits. This is often the result of poorly managed cities, lacking in urban planning tools that govern their dynamics and transformation (for example in densities, land use, urban morphology) and in public control of the planning functions and the protection of the public good and collective interests, and long-term gains.

41. Another associated factor causing weak and poor urban planning and management is the privatization of urban development within and around the city. This manifests itself in many forms, from urban sprawl that causes the loss of agricultural land and ecosystems, or unplanned overcrowding of informal settlements, or urban demolition/forced evictions of other portions of the city.

42. Fragmented urban sprawl by different income groups substitutes integrative spatial planning; isolated mega projects for high-income groups take the form of gated communities and suburban developments; and unauthorized development by middle- and lower-income groups. Both private-led, peri-urban development patterns are unplanned; both are disconnected, lacking the "public" dimension in all urban components, and the integrative networks including public space connectivity that is necessary to unblock the potential of urbanization.

43. Formal GDP-led and carbon-based/car-oriented spatial planning aggravates the problem, denying the poor the right to benefit from the city, reinforcing social segregation and deterring the realization of the social mix that leads to economic prosperity and social tolerance. Such planning is resource depleting, wastefully using land, energy, time and money. For the poor, it becomes a burden that impoverishes them/exacerbates their poverty.[6]

44. Segregation of land-use planning is still enforced in many developing countries despite evidence that shows its contribution to increased travel time, energy consumption, air pollution, and social segregation in the case of insufficient and unaffordable connectivity (public means of transportation). Adopting "strategic planning" has not solved these problems because of limited spatial awareness that is detrimental and continues to lead to unsustainable spatial patterns.

45. The increasing gap between the overall wealth generated by cities and its redistribution affects the equitable sharing of the benefits of urbanization

[6] In Egypt, for example, the 22 new cities built since the 1970s only reached an occupancy of 25 per cent.

(UN-Habitat 2012). Disparity in distribution of public funds, technical and administrative support between urban and rural areas is a main cause of migration to cities with opportunities for a better life. In some countries, wealth generated by informal economies goes unrecognized and therefore not supported by financial or administrative mechanisms to help it grow (in Egypt, for example, informal activity accounts for 40 per cent of the national economy).

46. Social and spatial segregation is often associated with increased vulnerability/exposure to risk; because of locations exposed to environmental and natural hazards, scarcity of relief and emergency systems, and marginalization that can be easily manipulated by power-seeking groups and individuals to be used to instigate conflict and unrest.

47. Media and "trendsetters" glorify unsustainable lifestyles and urban forms emphasizing certain urban benefits, while stigmatizing much of the traditional practices, including "rural" lifestyles, that may be more sustainable socially, economically and environmentally.

48. Public space is the urban element that is most inclusive, yet there is low awareness of the benefits of public space-driven development among stakeholders, both policymakers and the general users/population at large. The problem is that the consumers (those who buy or rent in formal and informal developments) of today do not demand any quality public space from the land developers. The challenge here is the low level, on the demand side, of public space, in terms of its quantity, quality, and diverse functions that is accepted as an integral component of adequate living conditions.

49. In some countries, where laws and regulation are kept vague to encourage informality and decrease accountability, the informality financially benefits governments as it saves their provision of public space, services, transportation and infrastructure on the one hand, and ensures a regular source of revenue whether channelled formally through "fines" or informally though corruption (hassling and bribes) (AUC — School of Global Affairs and Public Policy and UND 2013).

50. Conventional urban planning is blind to "place identity", i.e. the social, cultural, and psychological value of urban form and public spaces; there is low sensitivity to diversity in lifestyle which is the characteristic that distinguishes across the rural-urban continuum irrespective of size. Moreover, cities are also a depository of cultural heritage that reinforces national identity. The global economic model struggles to take such considerations into account.

D. Poor coordination among different levels of plans and policies and among sectors

51. Usually there is no shortage of plans and programmes related to the development of cities and city regions. However, there are a lot of problems and challenges (UN-Habitat 2009). In many countries these plans and programmes lack a coherent and consistent institutional, i.e. legal and organizational, framework. Coordination between sectoral plans is weak; vertical and horizontal integration of spatial plans is a challenge which is often not taken up successfully. Therefore, there is a lot of fragmentation and overlap, as well as a poor alignment of goals which is especially aggravated if overall urban strategies are missing. The legal base is

sometimes weak or even outdated which severely affects the implementability and implementation of plans and programmes. Often, there is no relation to finance and financial mechanisms which results in plans and programmes being more useful for symbolic policies and populism than for strategically guiding the development of cities and city regions in a consistent way. Overcentralization of the urban planning system is another problem for establishing well-functioning and locally fitting plans and programmes. Often, local competencies for urban planning are limited, or sufficiently qualified local capacities for urban planning are lacking. Effective spatial and territorial management requires that the roles, rights and responsibilities with regard to plans and policies are properly allocated. In many cases all over world, the distribution and coordination is poor or even absent, vertically i.e. among the central, regional and local governments, and/or horizontally within the ranges of agencies responsible for various aspects of urban management such as housing, transportation and the environment. Many places also lack sufficient numbers of trained professionals to take up the task.[7] Primary among the gaps is the absence of the national policy, legislative and administrative structures to frame urban development.[8]

52. The traditional top-down hierarchical structure of governmental spatial planning systems is increasingly inefficient vis-à-vis the needs for participatory governance, with collaboration of particular tiers and branches/sectors of public agencies as well as networking with and inclusion of NGOs, businesses and civic society, with appropriate sharing of the powers and responsibilities.

53. Spatial planning practice suffers from fragmentation of planning tools, oversimplification of policies, poor alignment of goals and plans, lack of national policies supporting urban planning, mismatching between public financing and plans, and low capacity of local governments for accessing resources. Without strong national spatial policy and in the absence of tools and resources for its implementation locally, local planning especially is exposed to and driven by the economic power of big, often multinational companies, which often thrust forward their interests without regard for environmental and societal impacts, and which require the public hand to bear the induced costs of infrastructures and compensation measures.

54. In sum, the challenges are: fragmentation of planning tools, oversimplification of policies, poor alignment of goals and plans, lack of national policies supporting urban planning, mismatch between public financing and plans, and low capacity of local governments for accessing resources.

55. Not only is the proper allocation of roles, rights and responsibilities for plans and policies absent vertically and horizontally, but many places also lack sufficient numbers of trained professionals to take up the task. Primary among the gaps is the

[7] See issue paper 8, p. 2. "The discipline of urban and spatial planning is underrepresented in many developing areas, with 0.97 accredited planners per 100,000 people in some African countries and 0.23 in India. This is compared to 37.63 in the United Kingdom of Great Britain and Norther Ireland and 12.77 in the United States of America".

[8] See issue paper 8, p. 2. "The discipline of urban and spatial planning is underrepresented in many developing areas, with 0.97 accredited planners per 100,000 people in some African countries and 0.23 in India. This is compared to 37.63 in the United Kingdom and 12.77 in the United States".

absence of a national policy and legislative and administrative structures to frame urban development.[9]

E. Inadequate and uneven provision and distribution of good green and public space

56. Public spaces are defined as "all places publicly owned or of public use, accessible and enjoyable by all for free and without a profit motive" (Garau et al. 2015; United Nations Human Settlements Programme (UN-Habitat) 2015). Public space has been receiving increasing attention in recent years. Good design and good practices of public space are promoted on a regular basis by regular international events, such as the Barcelona-based European Prize on Urban Public Space and the Rome Biennial of Public Space. Important international public space events and actions have also taken place recently in many cities, including Buenos Aires and Stockholm (Future of Places Conferences), Berlin, Bologna, Porto Alegre and Bogotá. Municipalities have offices and departments dedicated to pubic space development, improvement and maintenance. Urban green and public spaces play a special role here as they provide a number of services for urban dwellers and for nature. Moreover, they are crucial for diminishing urban heat islands and their negative impact on the population. And one of the targets of Sustainable Development Goal 11 reads: "by 2030, provide universal access to safe, inclusive and accessible, green and public spaces, particularly for women and children, older persons and persons with disabilities".

57. Despite these developments, and the broadly shared realization that green and public spaces are key to healthy urban environments, provide precious ecosystem services for the urban population, recreation facilities and retention areas in case of flooding and storm water events, the universal provision of public space advocated in Goal 11 faces a number of important challenges:

(a) Insufficient public space (streets, open public spaces and public facilities) as well as green spaces especially in lower-income suburbs and informal settlements. This is a reflection of the huge inequalities in most cities of the developing world, where inadequate housing should be alleviated by a generous provisions of good quality public space;

(b) Weak legal frameworks coupled with poor policy and weak political will resulting in grabbing of public land, the capture of benefit by private actors and over the use of public space;

(c) Urban public places becoming highly commercialized, thus exacerbating social inequalities;

(d) Increasing polarization and social segregation caused by the privatization of public space as a non-accessible asset of exclusive developments, such as gated communities;

(e) A sense of perceived or real insecurity caused by poorly maintained and badly lit green and public spaces in rundown areas and informal settlements;

[9]

(f) Frequent neglect of the special needs for green and public space on the part of the poor are often ignored by governments;

(g) Competing claims on public space on the part of a wide variety of urban users, including street vendors, co.. mercial establishments, pedestrians and cars;

(h) The absence of an agreed system of tools or indicators for assessing the supply, quality and distribution of public space;

(i) The lack of appreciation of the irreplaceable contribution of public spaces to sustainable urbanization, including mobility, health, enjoyment, and a collective sense of citizenship.

58. In countries with fast population growth and rapid urbanization, the pursuit of this target is made more difficult by the mutually reinforcing adverse combination of rapid population growth, a relevant percentage of whom of limited financial means, on one hand, and of scarce municipal resources, weak land-use control mechanisms and inadequate governance and technical capacity on the other. In "shrinking" cities there are many opportunities to transform built-up areas into green and public spaces. However, in many cases this is restrained by the adverse expectations of landowners, prohibitive land prices, and high maintenance costs of green areas.

59. In both cases, there are remarkable challenges to urban spatial strategies and planning. In consolidated areas, adequate public spaces must be carved out within the existing built fabric. In expansion areas, planning must secure the availability of adequate public spaces particularly for lower-income residents. In shrinking areas, institutional arrangements between public authorities and private landowners are necessary in order to establish intermediate or permanent green spaces, which allow public use.

F. Incoherent and disassembled knowledge about balanced territorial development and urban spatial strategies

60. While Member States have arrived at a global consensus for a key element of urban spatial strategies in the *International Guidelines for Urban and Territorial Planning* and they acknowledge that these guidelines "are a useful resource that can act as a compass for improving global policies, plans and designs" and "a source for inspiration," (p. 7), they readily assert the necessity of adapting them to local contexts. This process requires not only sensitivity to local cultures but also an evaluation of the critical success or failure factors in current work.[10] Further, issue paper 8 and others note that gaps in knowledge exist, especially in understanding "emerging, complex urban dynamics", (p. 6), in informing public decision makers of the "role and value of urban planning" (p. 6), and in the contents of university curricula (p. 6). In the *International Guidelines on Urban and Territorial Planning: Towards a Compendium of Inspiring Practices*, a volume published simultaneously with the Guidelines, the authors cite the need for more knowledge about local applications, offer brief profiles of 26 cases and call for a "global network of knowledge- and experience sharing. Such a platform would enable decision makers to make more informed decisions on their own development challenges".[11]

[10] See issue paper xx.

[11] UN-Habitat, Nairobi, 2015, p. 6.

III. Prioritizing policy options: transformative actions for the New Urban Agenda

A. Design and manage sustainably the form and configuration of cities and territories

61. Appropriate urban design must be a constant companion of sound urban planning in creating the sustainable city. This is the case for new developments as well as interventions in the existing city; in rapidly growing contexts as well as in declining urban areas; and in megalopolises as well as in small towns and peri-urban settlements.

62. Priorities in pursuing these objectives are the following:

(a) At the urban level: define what "New Urban Agenda design" is. New Urban Agenda design is a spatial development model capable of achieving quality of life, social harmony, and economic viability and, at the same time, minimizing environmental impact. The "New", of course, refers to "Agenda", and not to "design". The urban design criteria refer in fact to many enormously successful neighbourhoods from the past. Critical recommendations to this regard are:

(i) Letting public space define buildings, and not the other way around. An appropriate layout of streets and other open spaces is indispensable for creating enjoyable and functional urban living environments. Such a layout, like public space, must allow full internal movement and accessibility. In this sense, and unlike enclosed residential communities, "New Urban Agenda neighbourhoods" are, first of all, public space;

(ii) Designing public space grids capable of guaranteeing optimal proportions between open space and built space. It is especially important to provide spacious sidewalks and opportunities for mobility alternatives to motorized transport. Separation between surface public and private transport, whenever feasible, should be encouraged;

(iii) Guaranteeing compactness and density in view of their key importance for economizing on land, justifying efficient public transport, ensuring economic vibrancy, enhancing safety and security, favouring social interaction and the appreciation of diversity, attracting high-quality urban services, and cross-subsidizing affordable housing;

(iv) Enhancing "street life" by allowing for the maximum possible commercial use of street-level floors so as to offer viable alternatives to automobile-driven shopping; offering spaces for neighbourhood services such as kindergartens, arts and craft studios, small entrepreneurship, artisan activities;

(v) Envisaging the maximum feasible functional mix (housing, offices, and businesses) in order to guarantee round-the-clock public activity;

(vi) Envisaging procedures for the future maintenance and management of public spaces as an integral part of the design process;

(vii) Applying the same principles to the existing urban fabric, both by preserving existing neighbourhoods that respond to these criteria and by using the same criteria as guidelines for the sustainable renovation of derelict districts and areas, such as abandoned factories/industrial areas, large empty

parcels of land, and in general uninhabited portions of the city that have lost their original use and function;

(b) At the territorial level: the same criteria can apply, keeping in mind obvious differences in scale between larger and smaller urban settlements. At the territorial level, the "New Agenda Urban design" paradigm implies a total reversal of the sprawl/diffused development model. It envisages wide tracts and corridors of open spaces safeguarded from development and an efficient system of transport connecting larger and smaller compact settlements. The setting of clear national, regional and local targets and measures on how to reduce land consumption for newly built-up areas, such as new urban neighbourhoods, suburban or exurban settlements and road infrastructure, is an important strategic step towards more sustainable urbanization.

B. Land as a tool to promote equality and secure resources

63. Intervene to prevent land market failures and excessive privatization of land, ensure an adequate market and public supply of affordable land for housing, encourage mixed-income development to offset segregation, secure land tenure in informal settlements, introduce efficient legal and technical systems to capture part of the land value increment accruing from public investment.

64. One of the most serious effects of land market failures, when there is no good planning and management of land and space, is social segregation. It requires integrated planning tools to correct land markets failures through taxation and land regulations to ensure the most vulnerable sectors access to urban land without depending entirely on its per capita income, which tends to reproduce territorially inequalities of income between socioeconomic groups.

65. To meet the challenges posed above, best practice land strategies should focus on capturing the windfalls that arise from administrative acts (such as the right to build over and above a certain level (floor area ratio) or land-use changes from rural to urban or even from residential to commercial). When previous, or concomitant, public investments in urban infrastructure and services funded by the community at large (through taxes) support these land-use changes, a case can be made for the public to recover, in part or in full, these windfalls to defray the costs of such investments.

66. In addition, the public sharing of these windfalls facilitates the promotion of more socially inclusive land-use norms and regulations when designing and implementing master plans. Those responsible for ensuring more inclusive cities need to revisit existing legislation on the association of development rights to private property rights.[12]

[12] The Municipality of Sao Paulo, for instance, reduced basic floor area ratio (FARs) for the city as a whole to one keeping the maximum FAR in different areas according to existing infrastructures and other supporting conditions in much higher values. The difference from the maximum FAR in a certain zone and the basic FAR (=1) is now the subject of a charge according to the land value increment associated to it. This process of change in the FARs and respective rights took over 12 years with insignificant legal appeals by affected interests. More, well-defined large-scale polygons of redevelopment use an instrument called CEPACs to auction, electronically through the stock market, the additional building rights entailed in such projects. Over $2.5 billion have been paid by developers in the form of these certificates issued by the municipality over the last 10 years in two so-called Urban Operations. Part of the proceeds was used to redevelop on site a slum (Jardim Edith) in one of the most valued areas of the city.

67. There is therefore a need to better inform urban planners on the market value and fiscal impact of their decisions. They need to recognize the significant opportunities that are available to generate additional and substantive revenues. Any policy preserving the market as a land allocation institution alongside private property rights has to recognize the importance of promoting sustainable social housing inclusion by curbing landowner's expectations on windfalls. Secondly, resources thus generated should be used to increase the ability of lower-income groups to participate in financial schemes that lower the primary costs of land for new housing developments. Inner-city more inclusive housing for low-income groups should also contemplate forms of tenure other than owner occupation. When subsidies are unavoidable to address the challenges of inclusionary housing, its provision should be facilitated in ways that do not retro-feed into higher land values accruing to landowners. In addition, resources from land-based financial policies and tools (value capture, etc.) should be used (and earmarked) to promote more socially mixed developments rather than fully fledged "Robin Hood schemes" that ultimately exacerbate intra-urban differences affecting land prices and thus reinforcing social exclusion.

C. Guarantee equitable access to the benefits of urbanization

68. In order to meet the challenge described previously regarding this topic, the following policy priorities are recommended:

(a) Raise awareness in all stakeholders from different levels of society of the benefits of abiding by just and equitable planning that assures fair distribution of benefits of urbanization; acknowledge that urban planning is a key integrative tool across different sectors enabling better use of resources, reduction of costs and promotion of equality. Accountability mechanisms for both providers and beneficiaries have to be established and practiced for this to happen;[13]

(b) Establish legal frameworks and procedures to redirect part of the wealth generated by cities towards the design and implementation of urban spatial strategies aimed at social and spatial integration;

(c) Establish frameworks, processes and working plans based on the alignment of goals with local values and norms that are still applied and, in many cases, have more strength than written laws that are often alien, usually fragmented and derived from different eras. This necessitates good research and knowledge base, awareness-raising, transparency, and channels of public dialogue;

(d) Redirect urban growth trends and decrease segregation in cities through spatial choices and decisions, supported by legal and financial tools in steering cities towards more compact, integrated, connected and inclusive urban patterns;

(e) Stress the role of the public hand in planning to ensure sustainable and inclusive planning;

(f) Reform urban planning education and practice; from approaches that reinforce urban segregation towards planning that enhances social inclusion, based on an adequate understanding of contemporary dynamics (including informal-formal interlinkages), human settlement transformation processes (such as rural to

[13] Accountability mechanisms have to be designed in proportion to the population size, so that in densely populated cities, representation has to be large-based — see recommendation number x.

urban transitions, densification, and shrinking cities) and new challenges to promote inclusiveness and gender-responsive land policies;

(g) Acknowledge, regulate, and support private sector efforts that overcome social and spatial segregation, and are not fully recognized legally, especially in the provision of housing, services, transportation, urban management and economic development; all benefits of urbanization. This recommendation should be coupled with longer-term reform of legal, administrative and financial frameworks and policies to avoid future informality;

(h) Create a demand for more sustainable non-segregated urban form and public space, which includes self-help solutions, better connectivity, public space-driven development, and social mix;

(i) Recognize the millions of small and medium-sized investors in the urban development/transformation of cities and their territories (mostly lower- and middle-income groups in developing countries) and supportive an inclusive legal, administrative, and financial framework;

(j) Destigmatize lower-income groups and the working poor and recognize that their social capital and collective economic impact can decrease social and spatial segregation tendencies on the part of upper-income groups. This priority can be addressed most effectively by involving the media and educational institutions;

(k) Capitalize on cultural heritage not only for its economic value, but also to sustain social and psychological benefits such as self-confidence, civic pride and identity;

(l) Contribute to a decrease of rural-urban migration and transformation by revitalizing agro-based economies and providing quality services inclusive of, but not restricted to, safe and affordable water and sanitation, and quality health, educational and administrative services.

D. Coordinate among different levels of plans and policies and between sectors

69. In section I of this policy paper three critical conditions are mentioned which underline the critical importance of making the design and management of the form and configuration of cities and territories the top priority of this paper. Further, the aim of this prioritization is to employ the *International Guidelines on Urban and Territorial Planning* as a framework for improving global policies, plans, designs and implementation processes, which will lead to more compact, socially inclusive, better-integrated and connected cities and territories that foster sustainable urban development, are resilient to climate change and can result in the lessening of energy use and greenhouse gas production.[14]

70. *Planning tools should be harmonized between themselves and in connection to the more general aims of urban spatial strategies. Also, plans should be immediately linked to their implementation, including financial resources, enactment of national legislation supporting local strategies and planning, development of rationales highlighting the virtuous connections between sound*

[14] This language is drawn directly from the *Guidelines for Urban and Territorial Planning*, p. 7.

spatial strategies and the potential for sustainable resource mobilization. Included in this work are the following targets:

(a) A set of plans focusing on the area of responsibility of the respective sphere of government;

(i) National urban policy or plan: promotes sustainable development patterns nationwide with a balanced system of cities and territories;

(ii) City-region or metropolitan plan, including corridor plans: promote regional infrastructure to promote economic productivity and enhance urban-rural linkages;

(iii) City-municipal-level plan: development plans that prioritize investment decisions and encourage synergies and interactions between and among separate urban areas. Includes: plans for land use, urban extension and infill, upgrading and retrofitting, and public space systems;

(iv) Neighbourhood plans: street development and public space plans and layouts to improve liveability (e.g. safety), social cohesion and inclusion, and the protection of local resources;

(b) The enabling legal and administrative framework that allows for the crafting and implementation of the plans with meaningful stakeholder participation and partnerships;

(c) Mechanisms for finance;

(d) Mechanisms for monitoring plans and feedback loops to refine or adjust plans.

71. As indicated in the *International Guidelines on Urban and Territorial Planning, Towards a Compendium of Inspiring Practices* (UN-Habitat 2015a) and *The Evolution of National Urban Policies* (UN-Habitat 2015b), examples exist.

72. However, effective planning at all levels and across sectors is dependent on the spheres of government and stakeholders having sufficient, timely data and the capacity to employ it. As also mentioned in the recommendations for monitoring, such geospatial technologies as the Global Human Settlement Layer now being completed by the European Union Joint Research Centre show great promise in supplying the needed information. Further, national policies that recognize and support planning in small and medium-sized cities expected to experience the bulk of urban growth in Asia and Africa is a special priority.

E. Ensure an adequate and well-distributed provision and management of good green and public space

73. Organize broad surveys to identify critical situations and gaps in public space provision and management, with special emphasis on informal, peripheral and high-crime areas as a key input to equitable urban spatial strategies. Ensure protection of both existing and potential public spaces against predatory land development and land-use practices.

74. In order to meet the challenges mentioned in the previous section, the following policy options are recommended:

(a) Establish targets linked to specific indicators. A set of indicators contained in the UN-Habitat "Global Public Space Toolkit" (UN-Habitat 2015), aims at determining the supply and quality of public space, broken down in its many components, in different areas of the city. In addition, UN-Habitat is proposing a set of targets for the amount of land allocated to streets and public space in urban areas to ensure adequate foundation for the city. The proposed goal/target for public space being suggested is that 45 per cent[15] of land should be allocated to streets and public space. This can be broken down into 30 per cent for streets and sidewalks and 15 per cent for open spaces, green spaces and public facilities;[16]

(b) Citywide green and public space strategies need to focus not only on places and spaces but on the form, function and connectivity of the city as a whole. A holistic view of the city and its green and public space network is fundamental to maximize the potential of the existing infrastructure. Concepts of embedding compact city neighbourhoods into a network of green and public spaces as in the case of Dresden, may provide better access to open spaces and raise the thermal comfort of cities;

(c) Legislation for providing green and public space — laws and regulations need to be reviewed, to establish enabling systems to create, revitalize, manage, maintain and protect green and public space; local land-use concepts giving special attention to green and public spaces may be instrumental here;

(d) Anchoring green and public space in national urban policies — providing an overarching coordinating framework to provide the needed direction and course of action to support cities and towns in providing universal access to safe, inclusive and accessible green and public spaces;

(e) Securing green and public space in planned city extensions, city infills and slum upgrading — as cities expand, the necessary land for streets and public spaces as well as public infrastructure networks must be secured. Instruments to enable the creation of public space from privately owned land are of critical importance;

(f) Planning green and public space as a system — local authorities should be able to design the network of green and public spaces as part of their development plans. Ensure that urban plans contain sufficient guidance for the creation, layout and design of green and public spaces. Local green space strategies should be embedded into and linked with city regional landscape strategies in order to provide appropriate connections between open spaces in the city and in their surrounding region as part of urban rural relations;

(g) Using green and public space to lead development strategies — public space can lead urban development by ensuring that building will only be permitted if green and public space has been organized prior to development;

(h) Participation — public space as a common good is the key enabler for the fulfilment of human rights, empowering women and providing opportunities for youth. Improving access to and participation for the most vulnerable is a powerful tool to improve equity, promote inclusion and combat discrimination in public space;

[15] Defined by those achieving a minimum density of 150 inhabitants per hectare, the minimum threshold for a viable public transport system.

[16] Ibid.

(i) Leveraging green and public space as resource multiplier — land value-sharing tools should be widely adopted and promoted for municipalities to capture private values generated by better green and public spaces to sustain investment in public space. Green and public spaces generate substantial economic value. There is evidence that well-planned, well-managed green and public spaces have positive impact on the price of nearby residential properties as well as increasing business turnover. Land value sharing requires specific instruments such as valuation, taxation or land readjustment. There is a need to adopt redistributive policies to redirect municipal resources generated by gentrification to improve the supply, quantity and distribution of public space in less fortunate neighbourhoods;

(j) Investing in green and public space needs to be harnessed as a driver for economic and social development, taking into consideration urban-rural linkages.

F. Create a mechanism to support the creation of policy based on knowledge, expertise and experience of multiple stakeholders

75. Organize a knowledge platform, a panel on sustainable urbanization, built on the legacy of the Habitat III issue papers and policy units process that provides an interactive meta-platform for the open sharing of knowledge, expertise and experience. As in the Habitat III process, its members would be nominated by Member States and civil society.

76. This proposal aims to stimulate a new paradigm of knowledge creation and sharing, one that consolidates, assesses and puts forth the current and future quantitative and qualitative research on sustainable urban development drawn from the science, social science and design disciplines. Like similar platforms that have addressed complex global issues such as climate change or biodiversity, the envisioned paradigm would foster systematic, multidisciplinary cooperative research. It would consolidate links to existing knowledge platforms of relevance to the New Urban Agenda. It would evaluate and generate policy relevant but not policy prescriptive research. It would:

(a) Address key topics yet drill down to specific applications to explore how contextual factors affect universal principles and serve as drivers of positive change in the pursuit of sustainable urban development; among the topics to be explored are the form and configuration of cities and territories as contributory to economic prosperity/balanced territorial development, inclusion and equality and resilience and sustainability, the functioning and management of land markets; factors that contribute to urban liveability, models of effective governance and finance for sustainable development;

(b) Engage in fruitful investigatory partnerships between researchers and practitioners in order to allow theory to inform practice and practice to inform theory;

(c) Communicate the results systematically and effectively at regular intervals in order support the aims of the New Urban Agenda to inspire and drive transformative changes in countries and their cities.

IV. Key actors for actions: enabling institutions

77. Among the actors with specific roles to play in the implementation of this paper's policy priorities are: local governments; supra-local — regional and national

governments; supranational governance organizations (e.g. European Union); investors (entrepreneurs, banks and other financial institutions); real estate operators and developers; educational institutions; cultural institutions and associations; professional organizations; media; civil society/communities — community-based organizations and community-based actors; service providers (enterprises that provide basic services — water, sewerage, electricity, transportation, etc.), NGOs, community-based organizations, local policymakers, politicians, parliamentarians; special intergovernmental agencies, international agencies.

78. Most of these categories have come together over the past three years in 26 "Urban thinkers campuses" organized by UN-Habitat in cooperation with local hosts and aimed at forging collaborative thinking on specific themes. Their report will be a welcome contribution to the spirit of collaboration and joint commitment that should characterize the New Urban Agenda's implementation process. Of course, the success of this goal will depend to a large extent on the degree of ownership actors will be able to claim on the elaboration of the New Urban Agenda itself. In this respect, the fact that accredited partners have had the opportunity to express their views on the preliminary drafts of Habitat III policy papers is a welcome development.

79. This Policy Unit recognizes that all components of society have to be informed and have a proactive part in the implementation of the New Urban Agenda. In addition to that, some key actors can be identified and have to take a leading role in this process.

80. Local governments are determinant actors in the development and implementation of policies, plans and programmes that shape directly urban form, design quality, and land use, among others. Local governments also have a main role in developing and managing relations among other stakeholders (politicians, community-based organizations, real estate developers, investors, entrepreneurs, banks and other financial institutions, service providers, NGOs), and should do it fairly and in the common interest. Capacity is key in this respect, as only well-trained, informed and independent public servants can secure partnership agreements that will not damage the community in favour of specific interests.

81. All actors have different negotiation capacities and responsibilities; in other words, and perhaps paradoxically, inequalities can be reinforced when actors with less power and influence sit around a negotiating table without a clear sense of the stakes involved.

82. Consequences of decisions taken at the local level reverberate beyond the level and the timespan they are directly concerned with. All actors should be fully aware of the long-term and wide-ranging consequences of their land and urban transformations. These decisions, no matter how limited and localized they may seem, have profound urban, territorial, national and global impact. We must remember that global environmental phenomena are the result of an innumerable amount of local and apparently unrelated decisions on the use and organization of space.

83. In the ultimate analysis, planning can be used as a relevant tool to promote stakeholders and civil society engagement and to raise awareness and environmental education as key elements for efficient mitigation and adaptation measures as well as environmentally oriented sustainable development strategies.

84. Compared to sectoral policies, urban and territorial transformations are virtually irreversible. Their physical configuration cannot be easily modified, without

substantial resources and over considerable spans of time. In addition to that, all these activities have directly influence greenhouse gas emissions, address the impacts of climate change, and provoke or attenuate adverse environmental impacts.

85. National Governments have a vital role in promoting integrated national spatial strategies and plans, which include issues of climate change mitigation and adaptation, resilience towards shocks, e.g. disasters, and solutions to diminish adverse environmental impacts of human activities, but also a fair distribution of economic and natural resources. National Governments should also organize national frameworks and legislation to promote decentralized policies supporting climate change mitigation, energy transition and resilience accompanied by adequate resources.

86. Real estate developers and investors have to be aware of the consequences of the urban models they contribute to create, but also of the economic advantages of proposing projects based on sensible and appropriate design that reconcile environmental consideration with urban liveability. Common work with national governments, local governments, specialized institutions and civil society representatives on the formulation of urban sustainable urban design guidelines should be welcomed.

87. Media, academia, research institutions, professional associations and civil society have the main responsibilities in creating a consensus on importance of urban strategies in improve quality of city life, but also on their consequences on rural areas. Many efforts have been done in this direction, by the international community to support global initiatives and promote networking among international coalitions and groups.

88. In particular, international agencies and special intergovernmental organization have been promoting initiatives to build consensus on the urban Sustainable Development Goals and the New Urban Agenda. More efforts have to be done to support of new partnership platforms that have emerged in the past three years, notably the Global Task Force of Local and Regional Governments on the Post 2015 Agenda and Habitat III (2013) and the General Assembly of Partners towards Habitat III (2015).

89. The Global Task Force, composed of such local government coalitions as UCLG, ICLEI, C40 and relevant experts, can be expected to contribute to and support the work of the New Urban Agenda putting forth unified positions and commitments for subnational governments with an emphasis on decentralization and the localization of urban spatial policies.

90. The General Assembly of Partners (GAP), a special initiative of the UN-Habitat World Urban Campaign, is a coalition of 14 partner groups including the nine major groups, the Habitat Agenda partners and others with expertise and interest in urbanization. Recognized by the General Assembly as an official civic engagement platform for Habitat III, GAP, like the Global Task Force, is maturing into a cohesive coalition whose members, together or in their individual capacity, can contribute significantly to the New Urban Agenda.

V. Policy design, implementation and monitoring

A. Implementing the sustainable design and management of the form and configuration of cities and territories

1. Means of implementation and financing options

91. The successful application of the New Urban Agenda Design model introduced in section III of this paper depends much more on its conceptual and political acceptance than on the mobilization of massive additional resources.

92. The reason for this is that the overwhelming proportion of spatial interventions in cities and territories are the product of either formal entrepreneurship or of informal initiatives — both in urban expansion processes and in filling-in, regeneration and redevelopment interventions within the existing city.

93. Therefore, the issue is that of activating a virtuous cycle to show that sustainable approaches to urban design and development are attractive, implementable and financially rewarding.

94. In this endeavour, the involvement of all actors both from government institutions and from civil society will be crucial.

95. At the national level, growing concerns over reducing CO2 emissions will conceivably determine more stringent legislation. While the greatest emphasis has been placed so far on clean energy and eco-friendly architecture, the success of the advocated new urban design model will be greatly enhanced by the realization that the form and configuration of neighbourhoods and settlements has an enormous impact on the environment. As a result, governments may be inclined to penalize unsustainable urbanization and offer incentives for sustainable planning and design. This can be done also through appropriate national urban strategies favouring the cluster approach for "compact territories" suggested earlier as a sustainable alternative to uncontrolled sprawl.

96. This also applies to new informal development. A report[17] commissioned by the United Nations Secretary-General on the implementation of the Millennium Development Goal "improving the lives of slum dwellers" target, and drawn by a task force including the World Bank, the Cities Alliance and representatives from academia and civil society, including the association known as Slum Dwellers International, while advocating upgrading and the granting of an appropriate form of tenure in slums not subsisting in perilous situations, concluded that the construction of adequate housing through assisted self-help in newly planned areas was far less expensive than retrofitting (Garau et al. 2005). Therefore, proactive and planned solutions for affordable housing can indeed save enormous sums of money, by avoiding expensive remedies at a later stage and capitalizing on the resources of the beneficiaries — in a climate of complete legality.

2. Monitoring mechanisms

97. A wide variety of actors can help effect this radical change of perspective. The New Agenda itself can, of course, become the vehicle of this vision. But at the

[17] "A Home in the City" United Nations Millennium Project (http://www.unmillenniumproject.org/reports/tf_slum.htm).

implementation level this vision will have to be supported by all international organizations involved in the 2030 Agenda, national governments, local governments. A special role will have to be performed by national-level professional associations, academic, research, and cultural institutions focusing on urban and territorial development issues.

98. One way to mobilize this involvement can be the creation of a "global library of sustainable urban design", where good practices and solutions can be collected, stored, disseminated and discussed, and act as a catalyst for action.

99. An interesting trend is also the involvement of financing institutions in promoting sustainable urbanization approaches. One such example is offered by the "Guidelines for Green and Smart Urban Development" produced by the China Development Bank Capital[18] (China Development Bank Capital's 2015).

B. Address land market failures to promote equality and ensure access to the benefits of urbanization

100. Market-aware policies to promote inclusiveness require that planners consider how increases in land values resulting from the actions of the public sector can be used to secure social objectives rather than simply being appropriated as windfall gains well-positioned landowners. Planners require a range of management skills to deal with many complex factors and understand the needs of a diverse range of stakeholders. Comprehensive land and property market monitoring systems must also be put in place together a fluid dialogue among fiscal, planning and judicial entities, and the political resolve of local government leaders and planners. Land value increments are also captured more successfully when developers and other stakeholders understand that the benefits accrued from value capture policies can provide benefits to all parties involved and are an improvement over business as usual.

101. More specifically, concrete guidelines should inform land-use strategies aimed at promoting social inclusion through the use of land-financing tools. These include:

(a) Ensuring that the adoption of new tools is sensitive to real estate market conditions;

(b) Recognizing that trial and error is part of the process of refining and institutionalizing any policy tool, and that there is no "one size fits all" solution;

(c) Prioritizing the public control of building rights and land uses rather than public ownership of land as elements of a land-based financing tools strategy;

(d) Maintaining updated cadastres, valuation maps and land and housing price records to generate the data needed to assess changes in land values;

(e) Ensuring administrative continuity in the implementation of such policies over time, especially for large-scale projects;

(f) Encouraging direct negotiations between public officials and private sector developers likely to benefit from specific public actions;

(g) Generating a willingness to pay when benefits accrue directly to beneficiaries of a specific public intervention;

[18] http://energyinnovation.org/greensmart/.

(h) Creating win-win situations whereby public interventions can stimulate further market/private sector investments.

102. Countries and jurisdictions that have been able to innovate and expand upon land based financing tools for revenue generation tend to enshrine within constitutional documents and legal codes the separation of building rights from land ownership rights. This helps reduce resistance from landowners to socially inclusive uses, while at the same time generating much-needed revenues to fund such projects. Other tools to consider include:

(a) Special zoning of social interests as currently widely implemented in Brazilian cities whereby existing informal settlements in special higher-income areas are protected from gentrification and other forms of colonization by high-income-oriented developers through the adoption of plot size restrictions, set-backs, etc. that are sensitive to the needs of lower-income groups. This instrument is also used in new areas that will be occupied by lower-income groups to protect them from "higher" uses and reduce the costs of land by increasing density;

(b) Declaration of Priority Development as currently in use in Colombia whereby the existence of vacant land in higher-income areas is signalled, with a deadline for development. Non-compliance enables the public to auction the land with the added benefit that the bid winner must use the land for social housing. This allows the land to be bought at a price consistent to its use for social housing;

C. Guarantee equitable access to the benefits of urbanization

(a) Push for the revision of the global economic model underlying value system to restore non-monetary principles of social justice, "public good", psychological and cultural values into the equation;

(b) Safeguard existing urban forms that show case the "culture" of the sustainable city, such as compactness, mixed use, social mix, connectivity, safe and accessible public space;

(c) Establish legal-financial frameworks and administrative procedures to redirect part of the wealth generated by cities to the provision and fair distribution of quality public space, as well as mechanisms to safeguard public space in newly planned expansions;

(d) Establish legal-financial frameworks and administrative procedures to allow public-private partnerships with local financial autonomy with in-kind collective participation of end users in local development projects;

(e) Minimize demand for travel by planning and designing a well-connected network of mixed-use arteries and a density-based fair distribution of diverse services across cities and their territories;

(f) Plan and provide integrated networks of multimodal means of mobility to ensure affordable and safe access to all users including women, children, the elderly and people with disabilities;

(g) Deliver secure tenure of land and buildings to decrease the vulnerability of upgraded informal areas that still suffer the threat of demolition and eviction

when land value increases despite their partial legalization and acknowledgement by administrative mechanisms;[19]

(h) Socio-spatial differentiation in urban design and planning should reflect the culture of the inhabitants, and not their income level, while guaranteeing the same quality of services;

(i) Emphasize the role of urban design as a way to provide spatial quality and to afford social integration;

(j) Spatial justice in the provision of public space and connectivity to boost productivity in underprivileged areas;

(k) Continuous production of accurate knowledge is not only essential for monitoring purposes but essential to share knowledge and raise awareness among the public about development benefits and new challenges;

(l) Participatory planning mechanisms in densely populated metropolises should utilize innovative methods of representation proportionate to the population;

(m) Affordable, accessible connectivity between cities and their territories to enable residents of the rural-urban continuum to enjoy of complementary features of more and less dense settlements;

(n) Adopt safeguarding measures to protect natural or man-made landscape and the right to all to enjoy it;

(o) Introduce practices such as community gardening and urban agriculture where applicable and in line with local lifestyle.

D. Ensure an adequate and well-distributed provision and management of good green and public space

(a) The priorities identified to ensure adequate and well-distributed public space should be part of a comprehensive, citywide public space policy;

(b) Develop planning and design guidelines that that articulate between requirements for city scale public space and neighbourhood/locality scale public spaces avoiding prescriptive recipes and following a flexible approach;

(c) With regard to financing mechanisms, it must be underlined that good public spaces, and in particular parks, gardens, plazas, create urban value. Part of this value, which is normally generated by public investment, must be captured in order to improve less attractive areas and neighbourhoods where they are most needed, while other portions can be invested in further public space improvement in choice urban locations thus establishing a virtuous cycle of revenue-investment-further revenue;

(d) Citizen and community participation, particularly at the neighbourhood level, is a fundamental element in the public space creation/maintenance/ enjoyment/evaluation cycle. Only through feedback from the users can the effectiveness of public space be properly measured and monitored over time;

[19] Case: Kazem Kazabekir, Greater Istanbul, Turkey.

(e) Emphasize public sector responsibilities in creating and managing public space that is equitably distributed across cities and their territories, ensuring the easy and safe use of those spaces by all user groups, including women, girls, elderly, children, youth, people with disabilities and the poor;

(f) Raise awareness of the benefits/create market demand for well-designed public space and public space-driven development to exercise pressure on governments as well as private developers;

(g) Adopt "mixed use" in city-scale networks of public space to promote social mix; networks of "shared streets" with multiple modes of transportation and opportunities for diverse uses by diverse users.

E. Finance mechanisms

103. In its policy paper Framework, and in line with the conclusions of this Policy Unit's first expert group meeting, Policy Unit 5 — devoted to municipal finance and local fiscal systems — recognizes that: "Some of the most reliable and effective revenue sources and financing tools used by municipal governments are land-based. Proper use of the property tax and land value capture, among other land-based tools, can help to create sustainable and fiscally healthy communities" (Habitat III Policy Unit 5 2015).

104. What this report wants to stress is the positive connection between sound spatial strategies, the policy priorities suggested for their formulation and implementation, and the prospects for mobilizing the means for achieving the conference goals in cities — adequate shelter for all and sustainable urban development. It is clear that haphazard, unplanned development generates chaos, inefficiency and enormous social and monetary costs. On the contrary, planned development based on sound urban spatial strategies generates wealth. This wealth stems from the increased value of land after deliberate urbanization processes including good infrastructure, good public spaces, and buildable land for all living functions. In turn, cities can recapture — through land taxation and land value capture — the resources they need to feed this beneficial virtuous cycle of planning and investment.

105. It stands to reason, therefore, that resources devoted to the formulation of sound urban spatial strategies are not a cost, but an investment: not only for improving the quality of life of all citizens and protecting the environment, but also for generating the resources this virtuous process requires.

F. Monitoring

106. It is recognized that the Sustainable Development Goals, particularly Goal 11, represent a powerful global standard to measure the achievements of cities and territories in improving living condition of city dwellers. Sound urban spatial strategies require transparency and accountability in the planning process, which in turn necessitates reliable, open and easily accessible data.

107. As underlined in issue paper 8, "ICT and satellite imagery are easy and affordable means of accessing spatial data that have enabled broader participation in knowledge creation and information exchange".[20]

108. Poor data quality, lack of timely data and unavailability of disaggregated data are a major challenge. As a result, many national and local governments continue to rely on outdated information or data of insufficient quality to make planning and decisions.

109. Cadastral data are key elements for monitoring land use, but other indicators are relevant and should be collected and updated regularly.

110. Regional and national governments should make use of geospatial data on built-up, green and open areas to cross-check data collected locally. Open and easily accessible geospatial data can support monitoring in many aspects of development, from health care to natural resource management. They can be particularly effective especially in spatial analyses and outputs that can also be compared worldwide.

111. Considering the challenge of handling large amounts of data (both in terms of know-how and costs), local and regional authorities can work together with national and international institutions and research centres to make the most effective use of open, easily accessible data.

112. If on the one hand cities and countries have the main responsibility for monitoring their achievements on urban sustainable development referring to global indicators, on the other hand many aspects of planning processes and strategies, such as participation, transparency, etc., are site-specific or not enumerable. It is important to ensure that national and local communities and stakeholders take a leading role in monitoring and advocating for adequate participative, clear, transparent procedures, especially in those contexts where phenomena such as speculation, gentrification, and displacement affect the most vulnerable inhabitants.

113. Cities should take on their shoulders the responsibility of monitoring improvements in distributing the benefits of urbanization to city dwellers,[21] with special attention to citywide surveys on supply and distribution of public space (UN-Habitat 2015).

[20] A relevant experience in this field is represented by the Global Human Settlement Layer (GHSL), developed by the European Commission, Joint Research Centre, and its related product such as the European Settlement Map. GHSL is an open and free database to map and classify human settlements in a harmonized and consistent way, based on satellite imaginary (Pesaresi et al. 2013) http://ghslsys.jrc.ec.europa.eu/.

[21] Relevant indicators to be considered are: increase in capacity to earn a living/decreased gap between job market demand and capacity of unemployed; well-used services at their maximum-use capacity (not underutilized and not overcrowded); continuity of water supply (many cities have water and electricity networks but intermittent supply); decrease in drinking water-related diseases; decrease in leakage of water and sanitation networks/decrease in subsoil water table; frequented public and green spaces; less travel time; decrease in carbon emissions; decrease in sexual harassment and violence against women in public space; fewer fatalities and accidents in public space; balanced geographic distribution of public space and green public space; map energy consumption-carbon emission; generation of revenue expenditure of public funds along density/socio-spatially differentiated parts of cities, not only administrative boundaries.

VI. Conclusion

114. This paper's conclusions reflected in the following seven key messages:

Urban spatial strategies

115. The organization of physical space is key to sustainable urban and territorial development. It can be successfully achieved through fair and comprehensive urban spatial strategies.

Designing the sustainable city

116. Compact development and redevelopment on a human scale is the basis for the enjoyment of urban life by all, the satisfaction of basic needs, a vibrant economy and the protection of the environment.

Using land markets to combat segregation

117. Appropriate legislation and planning measures can make sure that part of the wealth generated by urbanization processes is shared collectively providing security of tenure and access to land and services and combat physical and social segregation and improve the living conditions of the urban poor.

Extending the benefits of urbanization to all

118. Urban strategies must guarantee that the benefits and services cities can offer are shared by all, regardless of income, lifestyle, place of residence and type and size of settlement.

Integrating levels, scales and actors of planning

119. The integration between levels of planning, sectors and urban and rural development is essential for the success of urban spatial strategies. Useful tools to achieve this goal are available, including the *International Guidelines on Urban and Territorial Planning*.

Shaping the city through green and public space

120. Green and public space is what defines the identity and character of a city, expresses its physical structure and provides the lifeline of city life: recreation, mobility, interaction, and togetherness.

A global dialogue for sustainable planning

121. The continuation of a global dialogue on the sustainable organization of urban and rural space will be vital for the successful implementation of the New Urban Agenda and the Sustainable Development Goals. The processes put in place by Habitat III could usefully be translated into continuous activities devoted to networking and the exchange of ideas, experiences, information and good practices.

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